



# ARIZONA STATE RETIREMENT SYSTEM

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*Paul Matson*  
Director

## SUMMARY OF THE PUBLIC MEETING OF THE ARIZONA STATE RETIREMENT SYSTEM (ASRS) INVESTMENT COMMITTEE

HELD ON  
Monday, November 14, 2011  
2:30 p.m.

The Arizona State Retirement System (ASRS) Investment Committee (IC) met at 3300 N. Central Avenue, 14<sup>th</sup> Floor, Phoenix, AZ 85012. Mr. Tom Connelly, Chair of the IC, called the meeting to order at 2:38 p.m.

### 1. Call to Order; Roll Call; Opening Remarks

Present: Mr. Tom Connelly, Chair  
Mr. Chris Harris, Vice Chair  
Mr. Larry Trachtenberg

Absent: Prof. Dennis Hoffman

A Quorum was present for the purpose of conducting business.

### 2. Approval of Minutes of the September 6, 2011 Public IC Meeting

**Motion:** Mr. Chris Harris moved the minutes of the September 6, 2011 Public IC meeting be adopted. Mr. Larry Trachtenberg seconded the motion.

By a vote of 3 in favor, 0 opposed, 0 abstention and 1 excused, the motion was approved.

### 3. Presentation, Discussion, and Appropriate Action Regarding the Recent Total Fund Portfolio Repositioning and Euro Bank De-risking Actions

Mr. Gary Dokes provided a brief overview of the recent Total Fund Portfolio Repositioning and Euro Bank De-Risking actions which the Investment Management Division (IMD) acted upon during the months of August and September of this year. Mr. Dave Underwood provided perspective on the “dialing down” activities.

Mr. Allan Martin, NEPC, commented on the positive impact the actions taken by the IMD have produced; adding that the ASRS’ actions are “unusual across the client base.”

Mr. Chris Harris reiterated Mr. Martin’s compliments of the IMD on being proactive, and Mr. Tom Connelly echoed this sentiment.

### 4. Presentation, Discussion, and Appropriate Action Regarding the Proposed 2012 IC Meeting Schedule

Mr. Dokes presented the 2012 Proposed IC meeting schedule noting the proposed six dates were selected to align with the Board meetings schedule and were consistent with past IC meeting periodicity. Mr. Dokes voiced his support for bi-monthly IC meetings and stated that this schedule is manageable.

**Motion:** Mr. Chris Harris moved to approve the proposed 2012 IC Meeting schedule as presented. Mr. Larry Trachtenberg seconded the motion.

By a vote of 3 in favor, 0 opposed, 0 abstention and 1 excused, the motion was approved.

**5. Presentation, Discussion, and Appropriate Action Regarding Director's Asset Class Committee Update: Private Market Committee (PRIVMC) and the Public Markets Committee (PUBMC)**

Mr. Dokes presented a recap of Calendar Year 2011 Asset Class meetings noting there were 15 Asset Class meetings held, not including the scheduled December 7, 2011, meeting. Mr. Dokes noted the meeting topics, accomplishments and commitments; highlighting the termination of QSI and the hiring of Windham Capital Management.

**6. Presentation, Discussion, and Appropriate Action Regarding the Investment Management Division's (IMD) House Views**

Mr. Dokes provided a brief overview of the October 2011, IMD Investment House Views with IMD Portfolio Managers speaking in more detail on their respective areas. Mr. Dokes noted projects and ongoing activities on which IMD is presently working:

**7. Presentation, Discussion, and Appropriate Action Regarding the ASRS 2012 Investment Initiatives Including a Potential Asset Allocation Study, Investment Strategic Plan Modifications, and Review of Hedge Funds and Other Absolute Return Strategies**

Mr. Dokes briefly discussed the projected 2012 ASRS Investment Initiatives and IMD Activities, noting the three initiatives highlighted in the memo: Asset Allocation Study, Investment Strategic Plan, and Hedge Fund and other Absolute Return Strategies. Mr. Dokes noted that staff will be working with NEPC on the Asset Allocation Study.

Mr. Martin expressed that the ASRS has come a long way, and has been successful in its internal management program..

**8. Call to the Public**

No members of the public requested to speak; the meeting adjourned at 3:50 p.m.

Respectfully submitted,

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Zach Kucera, Secretary

Date

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Gary Dokes, Chief Investment Officer

Date